

STATE OF NEW JERSEY  
DEPARTMENT OF STATE  
CN 300  
TRENTON, NEW JERSEY 08625

DEPARTMENT OF STATE  
CODE OF ETHICS

Lonna R. Hooks  
Secretary of State

Lathea Morris  
Assistant Secretary of State

Mary W. Cudjoe  
Ethics Liaison

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**I. PURPOSE**

This Code is intended to complement the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.) and to establish the general standards of conduct necessary to ensure propriety and preserve public confidence in the operation of the Department. It supersedes all previous codes. This policy also supersedes all other policies of the Department pertaining to ethics.

**II. DEFINITIONS**

As used in this Code of Ethics, and unless a different meaning clearly appears from the context, the following terms shall have the following meaning:

**"Code - shall mean this Code of Ethics.**

"Employee" - shall mean any person holding employment in the New Jersey Department of State including those who are deemed by the Secretary of State to be principally employed in connection with the work of any board, committee, commission, advisory board or council, but shall not mean any person employed in the capacity of an evaluator.

"Member" - shall mean any member of a board, committee, commission, advisory board or council within the Department of State who receive no compensation other than a sum in reimbursement of expenses in that office and are, therefore, special State officers within the meaning of Section 2 of Chapter 182 of the Laws of 1971 (N.J.S.A.. 52:13D-13(e).)

"Ethics Liaison Officer" - shall mean the Chief of Staff or designee of the Secretary.

"Immediate family" - shall mean the employee's spouse, child, parent, sibling or other relative residing in the same household.

All reference in this code to "special department officer or employee," "State Agency," "person," "interests," - "cause, proceeding, application or other matter," "member of the immediate family" and other similar terms shall be deemed to incorporate the definitions of those terms contained in N.J.S.A. 52:13D-13.

### **III. BASIC POLICY AND STRUCTURE OF THE CODE**

The New Jersey Department of State, as a department of the State government, exists to serve the public interest. All employees must therefore conduct themselves in the course of their duties so as to hold the respect, trust and confidence of the public. They must avoid any activity which is, or appears to be, a violation of the public interest.

To maintain public trust and confidence this Code of Ethics is adopted. Its purpose is to inform Department employees of the standards of conduct and responsibilities that govern them.

This Code of Ethics differentiates between two types of activities that could potentially undermine public trust and confidence in the Department.

- A. Activities that so clearly constitute a conflict of interest and violation of public trust. Activities of this nature are expressly prohibited. For example, the acceptance of a gift or favor from anyone doing business with the Department or the solicitation of a bribe.
- B. Activities that may appear to give rise to a conflict of interest. Employees are required to notify the Department's Ethics Liaison Officer and, in some cases, obtain permission before engaging in such activities. For example, receiving an invitation to an event from someone doing business with the Department.

In any instance where an employee is not certain what the standard of conduct should be, the employee should seek the advice of the Department's Ethics Liaison Officer in order to avoid the possibility of violating this Code.

#### **IV. USE OF STATE PROPERTY**

An employee shall use the property and funds under his or her official control in strict accordance with prescribed procedures and not for personal gain or benefit.

- A. Department property, equipment, funds or other assets shall be used only for Department business and not for personal use.
- B. Department employees shall not be directed to type personal communications, make personal phone calls or run personal errands.

#### **V. ACCEPTANCE OF GIFTS**

It is the policy of the Department of State that no employee shall accept any gift or other item of value from any firm, organization, association or individual doing business with the Department of those that could reasonably be expected to do business with the Department.

Any gift or other item of value offered by or received from a person, firm or corporation that a Department officer or employee has contact with in his or her official capacity must be reported and remitted immediately to the Department's Ethics Liaison Officer. The report shall clearly describe the gift, identify the donor and set forth the circumstances under which the gift was offered. It is not necessary to notify the Department's Ethics Liaison Officer or designee of receipt of normal advertising matter such as pens, pencils, calendars, or complimentary articles offered to the public in general.

- A. With respect to the acceptance or solicitation of any gift, favor, service at preferential rates, employment, offer of employment or any other thing of value, all employees are subject to the provisions of N.J.S.A. 52:1 3D-24, which provides as follows:

"No State officer or employee, special State officer or employee, or member of the Legislature shall solicit, receive or agree to receive, whether directly or indirectly, any compensation, reward, employment, gift or other thing of value from any source other than the State of New Jersey for any service, advice, assistance or other matter related to his or her official duties, except reasonable fees for speeches or published works on matters within his or her official duties and except, in connection therewith, reimbursement of actual expenditures for travel and reasonable subsistence for which no payment or reimbursement is made by the State of New Jersey." (N.J.S.A. 52:13D-24)

## **VI. CONFLICT OF INTEREST**

### **A. General**

1. A department employee shall not have any interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity that is in conflict or could appear to be in conflict with the proper discharge of his or her duties.
2. No State officer or employee should knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public that he or she may be engaged in conduct violative of his or her trust as a State officer or employee.
3. No employee shall contract with the State to provide personal services of other things of value other than in his or her official capacity. Requests for exceptions to this section must be submitted directly to the Ethics Liaison Officer.

### **B. Appearances Before State agencies**

1. Department employees are specifically prohibited from either agreeing to, or in fact representing, appearing for or negotiating on behalf of any person or party, other than the State, in connection with any cause, proceeding, application or other matter pending before any state agency unless prior approval is given by the Ethics Liaison Officer.

## **VII. MISUSE OF OFFICIAL POSITION OR INFORMATION**

- A. No employee shall use or attempt to use his or her official position with the Department to secure unwarranted privileges or advantages for himself, herself or others.

- B. No employee shall use confidential information (information not available to the public) obtained in his or her work within the Department to further his or her private interests or the interests of others.

## **VIII. OUTSIDE EMPLOYMENT AND ACTIVITIES**

- A. No employee shall accept employment or render services for any private or public interest when the employment or service is incompatible or in conflict with the discharge of his/her official duties or when that employment may tend to impair his/her objectivity or independence of judgment in the performance of such duties. In addition, the hours of outside employment may not conflict with work hours needed for the discharge of official duties.

No Department employee shall act in his/her official capacity in any matter wherein he/she has a direct or indirect personal interest that might reasonably be expected to impair his/her objectivity or independence of judgment (see N.J.S.A. 52:13D-23(e)(4)).

### **1. Approval for all employment**

All employees outside employment whether compensated or not must be disclosed in writing on the Department's outside employment form prior to being undertaken and is subject to Department approval. All Department outside employment forms must be forwarded to the New Jersey Executive Commission on Ethical Standards for review.

### **Notification of License**

An employee licensed by a specific agency of State government to engage in any particular business, profession, trade or occupation shall disclose that information on the form provided by the Department for such purposes. Such licenses shall include, but are not limited to, those for accountants, architects, attorneys, electricians, insurance brokers, land surveyors, plumbers, professional engineers, professional planners, real estate agents and brokers, etc.

This code is subject to all the provisions of the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.) and is subject to same.

Questions on outside employment may be referred to the Department's Ethics Officer.

## **IX. POST-EMPLOYMENT RESTRICTIONS**

An employee, officer and special officer of the Department is subject to the provision of the New Jersey Conflicts of Interest Statute (N.J.S.A. 51:13D-17) which states:

"No State Officer or employee or special State officer or employee, subsequent to the termination of his or her office or employment in any State agency, shall represent, appear for or negotiate on behalf of, or agree to represent, appear for, or negotiate on behalf of, whether by himself or through any partnership, firm or corporation in which he or she has an interest or through any partner, officer or employee thereof, any person or party other than the State in connection with any cause, proceeding, application or other matter with respect to which such State officer or employee or special State officer or employee shall have made any investigation, rendered any ruling, given any opinion or been otherwise substantially and directly involved in any time during the course of his or her office or employment. Any person who willfully violates the provisions of this section is a disorderly person and shall be subject to a fine not to exceed \$500 or imprisonment not to exceed 6 months, or both."

## **X. SPECIAL CASINO-RELATED CONSIDERATIONS**

### **A. Concurrent Employment Restrictions**

No employees of the Department, or any member of their immediate families, or any partnership, firm or corporation with which any Department officer or employee is associated or in which he or she has an interest, or any partner, officer, director or employee or person while he or she is associated with such partnership, firm or corporation, shall hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of any holder of or applicant for a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application or matter. (See N.J.S.A. 52:1 3D-1 7.2(b).) "A State officer or employee other than a State officer or employee included in the definition of person and member of the immediate family of a State officer or employee, or of a person, may hold employment with the holder of or applicant for a casino license if, in the judgment of Executive Commission on Ethical Standards, ... such employment will not interfere with the responsibilities of the State officer or employee, or person, and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the State officer or employee or person." Requests for waivers under the exception should be forwarded to the Executive Commission on Ethical Standards.

## **B. Post-Employment Casino Restrictions**

No employee of the Department who is subject to financial disclosure by law or executive order or who has responsibility for matters affecting casino activity, or any member of his or her immediate family, or any partnership, firm or corporation with which such person is associated or in which he or she has no interest, or any partner, officer, director or employee while he or she is associated with such partnership, firm or corporation, shall, within two years next immediately following termination of the office or employment of such person, holding directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of any holder of, or applicant for, a casino license in connection with any cause, application or matter, or any holding or intermediary company with respect to such holder of, or applicant for, a casino license in connection with any phase of casino development permitting, licenser or any other matter whatsoever related to casino activity. (See N.J.S.A. 52:13D- 17.2(c). "A member of the immediate family of a person may hold employment with the holder of or applicant for a casino license if, in the judgment of the Executive Commission on Ethical Standards, ... such employment will not interfere with the responsibilities of the person and will not create a conflict of interest or reasonable risk of the public perception of a conflict of interest on the part of the person."

In addition, 17.2(c)(2) provides that "an employee who is terminated as a result of a reduction in the workforce at the agency where employed, other than an employee who held a policy-making management position at any time during the five years prior to the end of the two-year period, accept employment with the holder of, or applicant for, a casino license if, in the judgment of the Executive Commission on Ethical Standards, ... such employment will not create a conflict of interest or reasonable risk of the public perception of a conflict of interest, on the part of the employee. In no case shall the restrictions of this subsection apply to secretarial or clerical employees."

Requests for waivers under the above exceptions should be forwarded to the Executive Commission on Ethical Standards.

## **C. Expiration**

In the event that the Legislature repeals or suspends (C.52:13D-17.2) in whole or in part, the companion sections of this code shall, to the same extent, be deemed repealed or suspended and of no effect.



## **XI. Political Activity**

- A. Department of Personnel regulations require that an employee shall not directly or indirectly use or seek to use his or her authority or influence of his or her position to control or modify the political action of another person. An employee during the hours of duty shall neither engage in political activity; nor shall he or she at any other time participate in political activities so as to impair usefulness in the position in which he or she is employed. A State employee retains the right to vote as he or she chooses.

### **B. Hatch Act Prohibitions**

There are certain constraints on the political activity of State employees covered by the Hatch Act. Under the Hatch Act, Executive branch employees in any State agency whose principal employment is in connection with an activity financed in whole or in part by federal loans or grants;

- \* may be a candidate for public office in a nonpartisan election
- \* may campaign for and hold elective office in political clubs or organizations
- \* may actively campaign for candidates for public office in partisan and nonpartisan elections
- \* may contribute money to political organizations or attend political fundraising functions
- \* may not be a candidate for public office in a partisan election
- \* may not use official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office
- \* may not directly or indirectly influence for the purpose of interfering with or affecting the results of an election or a nomination for office

### **C. Division of Elections**

No employee of the Division of Elections shall engage in the following activities:

1. be a candidate for or hold any elected or partisan appointed public or political party office at the municipal, county or State level or actively participate or assist in any campaign for these offices. This provision is not intended to apply to appointed positions such as a member of a planning board or zoning board;

2. directly or indirectly contribute, solicit, receive, collect, handle, disburse or account for assessments or other funds for a partisan political purpose in connection with a candidate for a municipal, county or state office; or
3. organize or reorganize a political party organization or political club or be a candidate or serve as an officer or member of any partisan political committee.

Questions in this regard may be referred to the Department's Ethics Liaison.

## **XII. VIOLATIONS AND SANCTIONS**

Any Department employee found guilty by the Executive Commission on Ethical Standards of violation of any provision of the Conflicts of Interest Law shall be fined no less than \$100 nor more than \$500 which penalty may be collected in a summary proceeding pursuant to the Penalty Enforcement Law (N.J.S.A. 2A:58-1) and may be suspended from his or her office or employment by order of the Commission for a period not in excess of one year. If the Commission finds that the conduct of the employee constitutes a willful and continuous disregard of the provisions of the Conflicts of Interest Law or of a code of ethics promulgated pursuant to the provisions of this law, it may order such person removed from his or her office or employment and may further bar such person from holding any public office or employment in this State in any capacity whatsoever for a period not exceeding five years from the date on which he or she was found guilty by the Commission. These penalties may be in addition to any other punishment provided by law. (See N.J.S.A. 52:1 3D-21(i).)

## **XIII. REPORTING COMPLAINTS ALLEGING VIOLATIONS**

Employees wishing to file a complaint regarding an alleged violation should prepare a memorandum/letter describing the incident(s) and forward it to the New Jersey Department of State's Ethics Liaison Officer.

## **XIV. BOARDS, COMMITTEES, COMMISSIONS, ADVISORY BOARDS AND COUNCILS**

No member of any board, committee, commission, advisory board or council within the Department of State shall have any direct or indirect financial interest, contractual or otherwise with said board, committee, commission, advisory board or council. No such member shall contract or agree to provide services, labor, material, goods, or anything of value to such boards, committee, commissions, advisory boards or councils.

## **A. Grant-making agencies within the Department of State**

### **1. Members and Employees of Grant-Making Agencies**

- a. In view of the unique position of certain agencies charged with the responsibilities of providing grant monies, the members and employees of these agencies may accept and use tickets, without cost to themselves or to the agency, from persons or organizations, and such acceptance and use by members and employees shall be deemed permissible conduct under this Code, provided: tickets may be accepted and used by members or employees only where the agency shall determine that an evaluation of the event is required for administrative purposes; no member or employee shall accept and use more than two (2) tickets without cost for any single program; tickets will be distributed under the supervision of the agency, which shall maintain public records for at least a five year period indicating the numbers of free tickets distributed and to whom; members and employees accepting and using such tickets without cost will provide a written evaluation of the program attended to the respective agency.

### **2. Members**

- a. No member of any board, committee, commission, advisory board or council shall be eligible to receive any grant monies while serving the State of New Jersey in any capacity relating to that board, committee, commission, advisory board or council.

Violation of this Code shall be cause for removal, suspension, demotion or other disciplinary action by the agency involved after opportunity for adequate hearing as been afforded; however, no action for removal or discipline shall be taken except upon the referral or with the approval of the Executive Commission on Ethical Standards as provided by Laws of 1971, chapter 182, section 10 (N.J.S.A. 52:13D-23.)

## **XV. EFFECTIVE DATE**

This Department Code of Ethics, subject to the approval of the Executive Commission on Ethical Standards, shall take effect immediately.

IN TESTIMONY WHEREOF, I have

hereunto set my hand and affixed

my Official Seal at Trenton,

this 30th day of November, A.D. 1995

Lonna R. Hooks

SECRETARY OF STATE